

The
Great West
Permanent
Loan Company



Seventh Annual Report

1909

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THE GREAT WEST PERMANENT LOAN COMPANY

WINNIPEG, MAN.

INCORPORATED BY SPECIAL ACT OF THE PARLIAMENT OF CANADA

HEAD OFFICE:

Bank of British North America Building, 436 Main St., Winnipeg

P.O. Box 2952. Phones 3194 and 3195

BRANCHES: Vancouver, Victoria, Calgary, Edmonton,
Regina and Fort William

SUBSCRIBED CAPITAL - \$2,350,000.00

Paid-up Capital and Reserve, nearly - \$2,000,000.00

BOARD OF DIRECTORS

W. T. ALEXANDER, Esq.,	PRESIDENT AND MANAGER
E. S. POPHAM, Esq., M.D.,	VICE-PRESIDENT
N. BAWLF, Esq.,	PRES. BAWLF GRAIN CO., DIRECTOR BK. OF TORONTO
E. D. MARTIN, Esq.,	WHOLESALE DRUGGIST, PRES. WINNIPEG BOARD OF TRADE
JAMES STUART, Esq.,	PRESIDENT JAMES STUART ELECTRIC CO.
E. L. TAYLOR, Esq., K.C.,	BARRISTER-AT-LAW, SECOND VICE-PRESIDENT MONARCH LIFE ASSURANCE CO.
F. H. ALEXANDER, Esq.,	SECRETARY

BANKERS:
THE ROYAL BANK OF CANADA

SOLICITORS:
MESSRS. TAYLOR & BOWLES

Advisory Board

E. F. HUTCHINGS, ESQ.
PRESIDENT GREAT WEST SADDLERY CO.

CAPT. WM. ROBINSON
VICE-PRESIDENT NORTHERN CROWN BANK
PRES. DOMINION FISH CO., W. SELKIRK

D. E. SPRAGUE, ESQ.
LUMBER MERCHANT

D. R. DINGWALL, ESQ.
JEWELER

MAJOR J. R. WYNNE
CAPITALIST

R. M. SIMPSON, ESQ., M.D.
CHAIRMAN PROVINCIAL BOARD OF HEALTH

ROBERT MAGNESS, ESQ.
INSPECTOR WEIGHTS AND MEASURES, WINNIPEG

H. SANDISON, ESQ.
CAPITALIST, WINNIPEG

R. P. McLENNAN, ESQ.
WHOLESALE AND RETAIL HARDWARE MERCHANT
VANCOUVER, B.C.

GEO. I. WILSON, ESQ.
FINANCIER, VANCOUVER, B.C.

W. R. HULL, ESQ.
CAPITALIST, CALGARY, ALTA.

HON. THOS. W. PATTERSON.
LIEUTENANT-GOVERNOR, VICTORIA, B.C.

ANDREW GRAY, ESQ.
PROPRIETOR MARINE IRON WORKS,
VICTORIA, B.C.

THOS. SHOTBOLT, ESQ.
DRUGGIST, VICTORIA, B.C.

HON. CHAS. E. POOLEY
BARRISTER, VICTORIA, B.C.

B. F. BOYCE, ESQ., M.D.
KELOWNA, B.C.

REPORT

OF THE

SEVENTH ANNUAL MEETING OF

The Great West Permanent Loan Company

The Seventh Annual Meeting of the Shareholders, was held at the head office of the Company, Bank of British North America Building, 436 Main Street, Winnipeg, Man., on Wednesday, February 16th, 1910, at 4 o'clock p.m.

Among the Shareholders present in person, were: Nicholas Bawlf, Esq., president Bawlf Grain Company, director Bank of Toronto; James Stuart, Esq., president James Stuart Electric Company; E. S. Popham, Esq., M.D., vice-president The Great West Permanent Loan Company; E. L. Taylor, Esq., K. C., vice-president The Monarch Life Assurance Company; W. T. Alexander, Esq., president The Great West Permanent Loan Company; Hon. Colin Inkster, sheriff; A. R. Leonard, Esq., secretary-treasurer Winnipeg Garage Company; John Erzinger, Esq., tobacconist; H. Sandison, Esq., capitalist; F. H. Alexander, Esq., secretary The Great West Permanent Loan Company; George Adam, Esq., manufacturers' agent; R. L. Broad, Esq., financial agent, Wolseley, Sask.; John Moffatt, Esq., retired gentleman, Brandon, Man.; John McDonald, Esq.; A. C. Hunter, Esq., Green Ridge, Man.; George Early, Esq.; G. S. Alexander, Esq., real estate broker; William McLeish, Esq., treasurer The Great West Permanent Loan Company; Hilliard Taylor, Esq., financial agent; J. L. Cornwall, Esq., B.A.; Edgar A. Frankfurter, Esq., merchant; J. K. B. Turner, Esq.; John Ramshaw, Esq.; S. Stone, Esq.; and others.

The President, W. T. Alexander, occupied the chair, and the Secretary, F. H. Alexander, was appointed to act as Secretary to the meeting.

At the request of the Chairman, the Secretary then read the notice convening the meeting, also the minutes of the last annual meeting, which were duly confirmed.

At the Chairman's request, the Secretary read the Directors' report to the Shareholders for the year 1909, also the financial reports, including the statement of assets and liabilities, profit and loss account, as well as the Auditors' statement, as follows:

**SEVENTH ANNUAL REPORT OF THE DIRECTORS OF THE
GREAT WEST PERMANENT LOAN COMPANY FOR THE
YEAR ENDING DECEMBER 31ST, 1909.**

TO THE SHAREHOLDERS:—

It is with much satisfaction that your Directors now submit for your consideration, the Seventh Annual Report of The Great West Permanent Loan Company, accompanied by the Profit and Loss Account, and General Financial Statements for the year ending December 31st, 1909, as certified by the Auditors of the Company.

During the past year, the Company's business experienced a remarkable growth; in fact, splendid increases were made in every department, showing the usual substantial progress, which has been so characteristic of the Company since its inception.

In many respects, the year 1909 was the most important in the history of the Company, as during the year, the Company was successful in obtaining a Dominion Charter under its new corporate name, and also opened up satisfactory negotiations in connection with the sale of the Company's debentures in the Old Country.

The subscribed capital, at present, amounts to \$2,328,600.00, while the paid-up capital which now stands at \$1,277,442.56, shows an increase of \$275,000.00 over the previous year, and the assets now reach the splendid total of \$2,652,651.68, or an increase of \$857,296.25 over the year 1908. Referring to the reserve, it is worthy of note that nearly \$50,000.00 was added, bringing this fund to almost \$450,000.00.

During the early part of last year, it was surmised that a very prosperous year was about to dawn upon the whole country, and when we review the business of 1909, we find that Canada in general, and the West in particular, experienced a very satisfactory year. The crop returns were very encouraging; in fact we had the greatest crop in the history of Canada, and as to immigration, the results were highly satisfactory. Railroad construction was carried on with great activity, and the great industrial and manufacturing concerns were taxed to their utmost capacity. Another

feature deserving of especial mention, and which should result in material benefit through the medium of advertising our city and Western Canada, was the number of very important conventions held in our midst last year. We were indeed fortunate in securing these conventions, as they were attended by a large number of the leading business, professional and scientific men, not only from distant points in Canada and the United States, but also from the important centres of Great Britain.

A great many of these representative business men who were not familiar with Western conditions, travelled extensively throughout the Western provinces, and being men of keen observation, were not long in coming to the conclusion that the Western Canada of to-day, offers a very attractive and profitable field for both settlers and investors.

We have already read glowing accounts in the papers abroad, of the impressions formed by these gentlemen, and it is difficult to estimate how beneficial and far-reaching the efforts of these intelligent business men will extend. We feel confident however, that they will awaken interest abroad and be the means of securing many new settlers as well as large amounts of capital for this young and growing country.

In this connection, it is quite in order to state that it would be very desirable if more responsible business men from different parts of the world, would visit Canada and learn from personal observation, what this great country has to offer the intending settler and capitalist. While the year 1910 is but in its infancy, we already have conclusive evidence, showing great preparations being made by the Railway Companies and industrial establishments. The outlook for trade in general, is very bright, and the Bank clearings, which are a sure indication of financial conditions, show by the splendid increases over the record year of 1909, that business is increasing and improving on all sides, to such an extent that we are safe in predicting that this year will be marked as one of great expansion and prosperity.

Consequently, financial institutions, which play so important a part in the development of our country, will assuredly have a busy year, and will, therefore, experience a very heavy demand for capital to finance the many and varied undertakings.

Under such favorable conditions, it is only natural to expect that this Company, located at the gateway of the West, should participate, to a very great extent, in the general prosperity.

Another point of vital importance in the directing of the Company's affairs, is the fact of the Directors being entirely Western men and thoroughly conversant with Western conditions. Our business is therefore considered from a Western standpoint, and consequently, with a proper and intelligent grasp of the situation, and, at the same time, to the great satisfaction of our many agencies and branches located in the four Western provinces.

The same fixed policy in investing the Company's funds on the security of first mortgage on improved, productive real estate, has been strictly adhered to by your Directors. Great care has been exercised in placing the loans, so that our securities are of a very high order.

In addition to the careful selection of loans, every property is covered by ample fire insurance in a reliable Company.

The demand for money continues as active as ever, and with the large number of loan applications submitted for consideration, it has been possible to select gilt-edged loans and, at the same time, secure a very profitable rate of interest.

It is especially worthy of mention, that payment of interest and principal has been well met, as at the close of the year, we had practically no arrears, and this is all the more encouraging in view of our adding during the year, nearly \$1,000,000.00 to the Mortgage loans, bringing that account up to the large total of \$2,520,818.42, less return of principal. This statement, in itself, is a splendid evidence of the prosperous conditions prevailing throughout Western Canada, and it amply demonstrates that this part of the Dominion is a very desirable and profitable field for loan companies.

In referring to the statement of Profit and Loss, it will be seen that the earnings for the year, after deducting cost of management, amounted to \$113,659.76, or an increase of \$50,456.13 over the previous year. From these earnings, were paid two half-yearly dividends, at the rate of nine per cent. per annum, as well as interest at the rate of five per cent. per annum on stock that was paid in full during the year, and there was credited to the balance of the partly paid capital stock, the usual dividend of five per cent., while in respect to debentures and deposits, the interest which had accrued during the year, was duly provided for.

After paying these satisfactory dividends, and crediting the various other accounts with the items of accrued interest, it is highly encouraging to find that we were able to carry to the Re-

serve Fund from surplus interest earnings, the sum of \$21,697.96. This amount, together with \$26,975.56, at the credit of the premium account, brought the reserve up to the handsome total of \$449,454.75.

It is our pleasure to again thank the Shareholders for their splendid co-operation during the past year, and it is a noteworthy fact that when Shareholders take an active interest in the welfare of a company, and do all in their power to assist the management, that success is assured.

We trust that every Shareholder will, as far as possible, help to advance the Company during the year 1910, so that when the year has drawn to a close, we can safely say that our efforts have been attended with splendid results.

Your Directors are indeed pleased to state that the detail work of the Company has been performed by the officers and staff in a very worthy and capable manner.

W. T. ALEXANDER, President.
E. S. POPHAM, Vice-President.

February 14th, 1910.

STATEMENT OF ASSETS AND LIABILITIES.

For the year ending December 31st, 1909.

ASSETS

Real Estate Loans—First Mortgage	\$2,520,818.42
Securities other than First Mortgages	58,175.72
Sundry Accounts due Company	167.10
Charter and License Account	3,685.95
Furniture and Fixtures—Head Office and Branches	14,400.36
Cash on hand at Head Office and Branches, and in Banks at Branches	55,404.13
	<u>\$2,652,651.68</u>

LIABILITIES

Capital Stock Subscribed—\$2,328,600.00	
Capital Stock Paid up	\$1,277,442.95
Deposits and Accrued Interest	237,110.97
Debentures and Accrued Interest	125,544.09
Dividend on Capital Stock "A" and "B", January 1st, 1910	51,666.85
Interest Accrued on Capital Stock "B"	6,608.02
Loan Repayments	334,916.07
Amount due on Uncompleted Loans	153,400.00
Accounts Payable	959.77
Bank Overdraft at Head Office	15,548.21
Reserve Fund	449,454.75
	<u>\$2,652,651.68</u>

W. T. ALEXANDER, President

E. S. POPHAM, Vice-President

PROFIT AND LOSS ACCOUNT

Dr.		Cr.	
Balance of Interest due on Real Estate Loans, De- cember 31st, 1908	\$6,258.37	Profits from first Mortgages and Bank Interest for year ending December 31st, 1909 (after deduct- ing charges of manage- ment) \$133,659.76, which with \$26,975.56, Premi- um on Capital Stock, amounted to	\$160,635.32
Interest credited to Capital Stock, Debentures and De- posits	11,854.60		
Dividend "A"—July 1st, 1909	43,341.13		
Dividend "A"—Jan. 1st, 1910	49,073.96		
"B" Interest accrued and paid during 1909	1,433.74		
Transferred to Reserve Fund	48,673.52		
	<u>\$160,635.32</u>		<u>\$160,635.32</u>

RESERVE FUND

Balance at Credit of Account, December 31st, 1908	\$400,781.23
Transferred from Profit and Loss Account	48,673.52
Premium on Capital Stock	\$26,975.56
From profits of the year	21,697.96
	<u>\$449,454.75</u>

AUDITORS' STATEMENT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of The Great West Permanent Loan Company to the 31st of December, 1909, and find the same to be correct and properly set forth in the above statement.

A detailed audit of the cash receipts and disbursements with vouchers, has been made and found correct. The securities for loans, as above shown, in the hands of the Company, have been carefully scrutinized and compared with the detailed list of Mortgages and found correct.

(Signed)

D. A. PENDER, C.A., }
W. RAMAGE, C.A. } Auditors.

WINNIPEG, FEBRUARY 4TH, 1910.

ADOPTION OF THE REPORT.

In moving the adoption of the Report, the President, Mr. W. T. Alexander, addressed the meeting, as follows:—

"It is again my pleasure to appear before the Shareholders who have evinced their warm interest in the affairs of the Company, by attending in person, this, our Seventh Annual Meeting. Especially so is it the case, when we are able to present to you such a satisfactory report as has just been submitted for your consideration.

"In comparing the business of 1909 with that of 1908, you will find that great progress has been made in every department.

"The assets, which now exceed \$2,650,000.00, show a substantial increase of nearly \$1,000,000.00 over the previous year, while the paid-up capital, which amounted to approximately \$1,300,000.00, represents a gain of fully \$275,000.00 over 1908.

"The debenture and savings accounts which were of rather modest proportions in former years, show considerable activity in the large increase of \$300,000.00 over the previous year.

"I am pleased to report that after providing for two half-yearly dividends, at the rate of nine per cent. per annum, also the

various other interest charges and cost of management, we were able to transfer to the Reserve Fund nearly \$50,000,00, which has therefore brought that account up to the creditable sum of \$449,-454.75, or practically forty per cent. of the paid-up capital.

"In connection with our loan department, it might be well to mention that the usual discretion has been exercised in the selection of loans, as is amply demonstrated by the very satisfactory condition of our loans at the close of the year.

"The feeling of optimism which prevailed throughout the West in the early part of 1909, was not only warranted, but as the year advanced, the crop prospects indicated very favorable returns, and consequently financial institutions, as well as manufacturing concerns, wholesale houses, railroad companies, and in fact all lines of business, began to realize that Canada was about to enjoy an exceedingly prosperous year. Actual returns have since been forthcoming and show that our Dominion experienced possibly the best year in its history.

"From present indications, I think we can safely predict that the year 1910 will see not only a continuance of this prosperity, but will show a decided increase in the general volume of business.

"It has been said repeatedly that the twentieth century belongs to the Dominion of Canada, and while this is a rather broad statement to make, I candidly feel that the signs of the times are such that we can look forward with a great deal of certainty to an unprecedented development, particularly in Western Canada. As a direct result of Western growth, we will surely see a large expansion of business in the older provinces of Eastern Canada.

"We pride ourselves on the immense crops we are to-day producing in our prairie provinces, but who can foretell the magnitude of these crops in the short space of the next ten or fifteen years?

"It is generally conceded that Western Canada is rapidly coming to the front as one of the leading agricultural countries, and within a few years, it will be recognized as one of the foremost grain-producing countries of the world; in fact, if it continues to develop as rapidly in the next twenty-five years as it has done in the past ten years, we can safely say that it will occupy a place second to none as a grain-exporting country.

"The great problem to be faced by Western Canada, not only to-day but in the years to come, is that of transportation, and it is a matter of pride to Canadians to see the splendid enterprise and

business foresight of the Government, as well as the existing railroad companies, in the construction of new lines of railway.

"Without adequate transportation, a country is seriously handicapped, and it is a matter of great satisfaction to the people of Canada to see such well-directed energy diverted into the building of new railway lines in districts where they are not only needed to-day, but also in the great tracts of undeveloped territory, which will assuredly be settled with sturdy, energetic farmers, who will materially add to our agricultural population, and bring our hitherto remote and practically inaccessible districts under that state of cultivation which will greatly add to the wealth of our country.

"This great Western country, from the Great Lakes to the Pacific Coast, a mighty empire in itself, has such enormous undeveloped resources in agriculture, minerals, forest and fisheries, that the most far-seeing statesman of to-day has only a faint conception of what this country will be in wealth, population and importance at the expiration of another quarter of a century.

"Why is it that there is such a feeling of optimism in Canada to-day? For the simple reason that other countries, which, during the last century had so much to offer the prospective settler, have now, to a great extent, reached that point where the inducements offered and the advantages to be gained, do not appeal so strongly as they did even fifteen years ago. On the other hand, our almost unlimited areas of productive soil, are awaiting development, and may be purchased at a price which is only a fraction of the value represented in the lands of the older settled countries.

"With this actual condition of affairs, is it not reasonable to expect that the tide of immigration which has been so active of recent years, will continue with even greater energy in the future, until our Western country which is now the home of about one million and a quarter people, will eventually have many millions within its boundaries.

"Where is there a country with a more promising future than the Dominion of Canada, or that holds forth better returns for the young man of limited means, whether he be a tiller of the soil or a business man, or again for the investor with his millions of capital? The question is answered in no uncertain tone, when we see, year after year, hundreds of thousands of desirable people leaving their homes in other lands, and coming into our country to become Canadian citizens, and enjoy the freedom of our laws, and our general prosperity.

"It is very encouraging to see so many new settlers coming into this country with a good supply of cash and effects, at the same time, they soon find that they have many demands upon them in starting life in a new country, so that it is a question of only a short time, when, in a great many cases, they begin to seek assistance from financial corporations to enable them to either purchase additional land or add to their general farm equipment.

"Coincident with the active development in the rural districts, we have experienced a very rapid growth in our Western cities and towns, and it is truly remarkable to see springing up from the virgin prairie, towns which often in the short space of two or three years, rise to considerable importance.

"To adequately cope with this almost abnormal situation, requires the active attention of our large financial companies, and accordingly a policy of expansion has been carried out with great vigor, and from the very satisfactory reports issued from time to time, it is quite evident that the establishing of so many new Branches and Agencies, has been attended with most gratifying results. With the large immigration which this country will receive, we have every reason to believe that money will be in great demand for many years to come, and that the rate of interest, owing to the great expansion of business, will continue to be very profitable and satisfactory.

"With the growth of our Canadian financial institutions, Canada is becoming better able to look after her domestic affairs, yet in a new country, such as Western Canada, abounding in natural resources, and developing so rapidly, it is essential that large amounts of outside capital be brought into the country for investment, and I am indeed pleased to state that our own Company has met with a hearty reception seeking capital from abroad, and I feel confident that we will be instrumental in securing a large amount of funds for investment in Western Canada.

"With this acquisition of borrowed capital, obtained at a very reasonable rate of interest, it will readily be seen that the Company's earning power will be materially increased, and at the same time, we will be in a position to operate on a much larger scale than heretofore.

"It is particularly worthy of mention, that we have met with splendid success in our Savings Department, not only at head office but at our different Branches. The public and particularly our Shareholders, have displayed their loyalty to the Company,

by depositing their savings with us, and through their splendid co-operation, we feel that this branch of our business, will grow to be one of great importance.

"Our many agencies throughout the West, are proving a source of great strength to the Company, and it is most encouraging to find that the business at our various agencies, is in the hands of very capable men who have looked after the Company's interests in a thoroughly business-like manner.

"In conclusion, I may say, that it has been with a feeling of confidence and satisfaction, that I have had the opportunity to refer not only to our Financial Report but briefly to the conditions prevailing throughout our Western country, and I have much pleasure in now moving the adoption of the splendid report submitted to-day."

Dr. E. S. Popham, the Vice-President, on rising to second the adoption of the report, addressed the meeting as follows:—

"GENTLEMEN AND SHAREHOLDERS:—Considering that you have had ample time to peruse the Financial Statement, and after listening to the lengthy report of the Board of Directors, as well as the address of the President in moving the adoption of the report, I feel that there is but little left for me to say.

"However, it might be well to draw your attention to certain things which were done during the year, and which have an important bearing on the future welfare of our Company.

"One feature deserving of especial mention, was the securing of a Dominion Charter for our Company, and which was briefly referred to in the Directors' Report.

"In the early days of our Company, the Provincial Charter under which we were operating, was considered adequate for the purposes of the Company, but our business has now grown to such proportions, that it was deemed essential that we apply for a Dominion Charter, which would enable us to operate and extend our business to much better advantage, and at the same time give the Company that prestige among monetary institutions, and the business world, to which it is justly entitled, by virtue of its splendid financial standing.

"As supplementary to the Dominion Charter, we have secured Provincial Licenses, to enable us to carry on our business in the different Provinces.

"It is generally conceded that with a Dominion Charter, a Company occupies a better financial position, than if operating

under Provincial Legislation only, and especially is this applicable when the Company seeks to borrow capital in the foreign markets.

"Our new Charter, which is very similar to those of the leading Canadian loan companies, is broad and comprehensive, and especially well adapted for a progressive Western company, and I feel confident that our Company has now reached that enviable position, where our extensive organization, and intimate knowledge of the conditions prevailing throughout Western Canada, will prove a valuable asset to the Company in its future operations.

"During last year, I made an extensive Western trip, and had the satisfaction of stopping at many places, where we have established Branch Offices and Agencies. I desire to state that it affords me great pleasure to refer to the courteous treatment extended to me by the Company's representatives, as with their valuable assistance and voluntary information, I was soon made acquainted with the character of the Company's securities, and I am gratified to report that the properties on which we have loaned our money, are of a very high grade.

"After receiving this very favorable impression of the Company's securities, and from the satisfactory information now at hand, in respect to the condition of our loans at the close of the year, I have come to the conclusion that we are indeed fortunate in securing the services of men, who have clearly demonstrated by the splendid class of business submitted from their respective districts, that they are particularly well qualified to look after any department of our business that may be entrusted to their care.

"That the demand for money was very active last year, is shown by the figures in the Annual Statement, where the Company had an over-draft from the Bank. The fact that our funds were so actively employed, and at the same time to such good advantage, certainly indicates not only energetic management, but also a most prosperous and healthy condition of affairs.

"Another evidence of rapid growth, and the proportions to which the Company has grown, is seen in the large amount of interest paid to the Shareholders last year. While this sum exceeds \$100,000, we may safely conclude that, with the ever increasing volume of business, the aggregate dividends for the year 1910, will be much greater than those of the previous year.

"It is indeed gratifying to note that the surplus interest earnings show an increase of more than \$13,000.00 over the year 1909.

"The Reserve, to which we refer with a feeling of pride, was increased by the creditable sum of \$48,673.52.

"With financial institutions, shareholders naturally look for satisfactory dividends, at the same time they consider that a high standard of Reserve is very essential. As the earning power of a company regulates the amount carried annually to the Reserve, your Directors have naturally given this matter their most careful consideration.

"When a loan company reaches that stage in its development when its capital is well paid up, the question arises, from what source will it secure additional funds for investment.

"You will recollect that this matter was dealt with very fully at our last Annual Meeting, when the Directors were authorized to raise a large sum of money through the sale of debentures.

"After the Directors had fully considered the subject of debentures, it was deemed advisable to send two representatives of the Company to the Old Country to secure full information, and make all necessary arrangements for the successful flotation of our debentures.

"Along with the President, I had the honor of being chosen to represent the Company, in this connection, and I am pleased to report that not only were we accorded a very hearty reception by the different parties interviewed, but we received such encouragement in our efforts, that I am confident with the entirely satisfactory arrangements made, that our trip will be attended with splendid results.

"In conclusion, I would draw your attention to a few general facts relating to our Company.

"We have now the largest subscribed capital, as well as Reserve, of any financial institution in Western Canada, and with one exception, the largest paid-up capital.

"In addition to this, the Company has paid fourteen half yearly dividends, of which the last five have been at the rate of nine per cent. per annum, and the Company has now a most thorough organization from the Great Lakes to the Pacific Coast.

"This is all the more remarkable, when it is taken into consideration that our operations have extended over a period of only seven years.

"With the tremendous development in the country at large, including the rapid growth of our cities and towns, ensuring an active demand for loans, I have no doubt that the year 1910 will be a record year for the Company.

"It is now my great pleasure to second the adoption of the report."

The Chairman then inquired if there were any persons present who wished to discuss the report.

A few questions were asked by Hon. Colin Inkster, Mr. A. R. Leonard and others, and were answered by the Chairman, in a few brief remarks.

Mr. N. Bawlf, in referring to the report, and incidentally to the general conditions prevailing throughout Western Canada, delivered the following able address:—

“MR. CHAIRMAN AND GENTLEMEN:

“As this is the Annual Meeting of the Shareholders, I feel that in deference to them, the Directors should not take up any more time of the meeting than is necessary and proper.

“However, on an auspicious occasion like this, I consider it a most opportune time, to dwell on certain features of our business, and to enumerate a few facts and figures relating to our Western Country, and draw a fair comparison with agricultural districts beyond our own borders, so that we may see at a glance what a promising and fertile country we have inherited in Western Canada.

“I can assure you that, with the splendid Financial Statement which has been submitted to-day, the shareholders, as well as the Directors, must view, with a feeling of pride, the magnificent progress made by this institution.

“With such a satisfactory report, it is only natural to expect that the Directors would display great willingness in answering any questions that might arise, and I am sure that I voice their sentiments, when I say, that we are pleased to see shareholders ask a few questions, as it shows that they take more than a passing interest in the affairs of the Company.

“In referring to our securities, I may say that it is our fixed policy not to advance more than fifty per cent. of a conservative value of the property, and in many cases, we have even a greater margin of security.

“In the various districts, including the cities and towns, situated between Winnipeg and the Pacific Coast, where we have been loaning our funds on the security of first mortgages on improved, productive real estate, it is generally conceded that property values have increased at least twenty-five per cent. during the past three years.

“In addition to the substantial increase in property values, a definite amount of principal is returned by the borrower each year, so that from these two sources, it is plainly seen that our securities are improving year by year.

"From the stockholder's point of view, I am sure that they must be well satisfied, not only in respect to the report submitted to-day, but the general management of the Company, as well as the satisfactory dividends of nine per cent. which they have been receiving for a number of years.

"It is interesting to note that the Company has now six Branch Offices in Western Canada, as well as a large number of active Agencies.

"During my frequent trips in the prairie provinces, I have had a good opportunity to see how the Company's business is conducted through our Branches and Agencies, and I cannot speak too strongly of the splendid system employed by the Company, and accordingly, I candidly feel that our business is not only in the hands of capable men, but is being operated in such a manner to obtain the very best results.

"We have an experienced and competent Valuator to make an independent valuation of all our properties, and his work is supplemented by that of the Branch Manager, who personally inspects all of our securities, before sending the loan application to Head Office for consideration. Under such a rigid system of inspection, I have always felt that our loans were of a very high order, and I am pleased to state that I found this to be the case, when I made a close inspection of our securities at the different Branch Offices and Agencies.

"I have no doubt that a great many people, on first consideration, would say that there is not much demand for loans when the country is prosperous, and money in apparent abundance, yet statistics show that the demand for money in good times, is greater than in times of stress. It is generally recognized that in a time of prosperity, expansion of business takes place all over the country, and consequently an unusual amount of capital is required to assist in the general development.

"In the first place, the railroads seize the opportunity, or are possibly prevailed upon, to extend their lines, and add more rolling stock, to properly cope with the situation. Then again, the manufacturers and wholesalers begin to see their business expanding. The retail business man feels that the time has arrived when he must put forth his best energies, and we find him largely increasing his stock, and perchance building more commodious quarters. The farmer needs money to make many necessary improvements, add to his farm equipment, and perhaps buy more land. And finally the great building activity in the construction

of homes, incident to the general development, gives rise to a phenomenal demand for money.

“A conservative estimate of the value of the products in 1908, in that part of Western Canada lying between Winnipeg and Calgary, is \$150,000,000.00; and when you consider that of the 800,000 people then residing in the three prairie provinces, fully 250,000 of them were resident of the cities and towns, it is a record which I doubt if any country can equal.

“Then, if we refer to the year 1909, with its abundant crops, and prevailing high prices, we find that the value of our products has risen to the enormous sum of approximately \$200,000,000.00 and in view of the fact that less than 700,000 people were directly engaged in agricultural pursuits in the production of this immense wealth, I feel we have every reason to be proud of the result.

“Comparisons are often interesting, and it is worthy of note that the Province of Saskatchewan produced last year, more bushels to the acre than any state in the great country to the south of us, with the possible exception of Minnesota and Dakota.

“If we turn our attention for a moment to that great and promising Province of Alberta that is rapidly coming to the front as a grain producing, as well as a ranching country, we will gather some remarkable facts.

“It is only of very recent years that Alberta has demonstrated that she is destined to become a great wheat producing country, as well as the banner cattle raising province of the West.

“Take, for instance, the district situated between Calgary and Macleod, a distance of about one hundred miles, and what do we find? That in the year 1908, there were shipped 4,000,000 bushels of grain, while in the year 1909, up to near the close of December, there had been marketed in this same district, about 2,000,000 bushels, and as the bulk of the grain still remained in the hands of the farmers, it is a fair example of what the soil of Alberta will produce.

“There are shipping points in Western Canada, where more grain is exported than from any other place on the Continent. A few of these places might well be mentioned, such as Yorkton, Brandon, Indian Head, Regina, Saskatoon, Moose Jaw, Weyburn, High River, Claresholm and many other places, not of course, excepting Winnipeg, the great commercial centre, which has, in the space of a few short years of marvellous growth, sprung into world-wide prominence.

“Touching upon the subject of transportation, and to which the President in his address briefly referred, I may say, that with the tremendous energy that has been displayed in the construction of and equipping railroad and steamboat lines throughout the Dominion of Canada, during the last twenty-five years, we are now possessed with a system of transportation, and great elevator capacity which does credit to our country. At the present rate of progress, it is a question of only a short time when we will have in full operation, three great transcontinental railways, with their associated steamship lines, connecting this country not only with Europe, but the far East, and thus bringing into close touch with us, practically the entire world, with its extensive markets.

“Before I conclude my few remarks, I would again refer to our Annual Report, as duly certified by the Company's Auditors, and I feel confident that every shareholder will express himself as being exceptionally well satisfied with the gratifying results as shown in our Financial Statement.”

The motion to adopt the report was then put to the meeting and carried unanimously.

Mr. N. Bawlf moved, and was seconded by Mr. H. Sandison, that the management be instructed to have the Directors' Report and Financial Statement for the year 1909, printed and distributed among the shareholders for their general information.—Carried.

The question of appointing Auditors for the year 1910 was then considered, when it was moved by Mr. H. Sandison and seconded by Mr. A. R. Leonard that Messrs. D. A. Pender, C. A., and William Ramage, C. A., be re-appointed Auditors of the Company for the ensuing year.—Carried.

Mr E. L. Taylor, at the request of the Chairman, to say a few words relating to the Company's Securities, addressed the meeting, as follows:—

“MR. CHAIRMAN AND GENTLEMEN:

“As nearly every phase of our business has already been discussed thoroughly by the previous speakers, it is not my intention to dwell at great length on the subject of our securities.

“To the shareholders who are not thoroughly conversant with this department of our business, it might be interesting to know and understand our method of operations.

“To better illustrate this, let us refer to our Branch Offices and Agencies. We have a competent manager or agent, as the case may be, to whom the application for loan is first submitted.

It is then his duty to make a personal inspection of the property offered for security, and at the same time instruct the local appraiser, who is, in every case, a practical and experienced man, to make a careful valuation of the property. The manager's or agent's report, as well as the detailed report of the valuator, are at once forwarded to the Head Office, for the consideration of the Directors.

“Before these loan applications are finally submitted to the Directors for their consideration, they receive the careful and expert attention of the executive of the loan department, so that by the time the Directors have given their unbiased decision on each loan, it is evident that every detail has been thoroughly considered.

“An application about which any doubt may exist, or if it appears undesirable from the standpoint of the property, or the applicant himself, is held over for further information or rejected altogether, as our fixed policy is to have the unanimous approval of the Board before finally passing a loan.

“Our Company has grown to such proportions, that it is found necessary to hold Directors' Meetings once, and occasionally twice a week, so that our loans and other business may be conducted with as much despatch as possible, and thereby avoid any vexatious delay to the borrowers. Owing to our promptness in the loan department, we have been congratulated repeatedly, and it will be our earnest endeavor to give our outside Agencies and Branches, the best possible service.

“After a loan has been passed upon by the Board, if it happens to be from one of our Branch Offices or Agencies, the matter is then turned over to the Local Solicitor at that point, who, after the mortgage has been duly executed and registered, takes every precaution to avoid any possible danger of liens. Finally the mortgage is sent to the Head Office Solicitors for their supervision, and if any defect is found, it is returned for correction or to be remedied. Upon this being done to the satisfaction of the Company, it is then in order for the Company to disburse money on the loan as the occasion demands.

“Our securities consist of first mortgages only on improved productive real estate, under a careful and thorough system of valuation, combined with an ample margin of security.

“With perfect titles to the mortgaged properties, and with expert knowledge brought to bear in making accurate and complete valuations, as well as the ability to intelligently consider each

loan by virtue of our intimate knowledge of every district where we are operating, we feel that our system is a very comprehensive one, and as a direct result, our securities are absolutely above reproach."

A motion was then made by Mr. Hilliard Taylor that the retiring Directors, W. T. Alexander, Dr. E. S. Popham, Nicholas Bawlf, E. D. Martin, James Stuart, E. L. Taylor, and F. H. Alexander, be re-elected for the ensuing year.

It was seconded by Mr. H. Sandison in a few well-chosen remarks, and carried unanimously.

Mr. James Stuart, on being called upon to address the meeting, said:—

"MR. CHAIRMAN AND GENTLEMEN:—While the subject to which I will now refer, relates to the work of two of my associate Directors, I feel that it is a most opportune time to refer to the recent trip to the Old Country, of the President and Vice-President, in connection with our Debentures.

"I am indeed pleased to learn of the splendid encouragement they received, and I feel sure that, with the very satisfactory arrangements which were entered into, gratifying results from these negotiations will undoubtedly follow. I certainly feel that we are much indebted to these gentlemen for their valuable services, and I now take great pleasure in moving that a vote of thanks be tendered to them."

The motion was seconded by Hon. Colin Inkster.

Mr. E. L. Taylor then referred to the importance of the mission entrusted to the two representatives of the Company, and stated that he believed they had done all in their power, to select men well qualified to look after our interests in the Old Country, in a thorough and business-like manner, and that it was a great satisfaction to know that such capable men received the appointment, as it would have a direct bearing on the volume and character of the business which they would secure for the Company.

The motion, on being put to the meeting, was carried.

Dr. Popham, in a few appropriate words, responded to the vote of thanks.

It was moved by Mr. H. Sandison and seconded by Mr. Jno. Erzinger, that a vote of thanks be, and is hereby tendered to the

Directors, Management and Staff for the efficient manner in which they conducted the affairs of the Company during the past year.

The motion was ably responded to by Dr. Popham, who referred to the conscientious labors of the Directors, and to the able executive and thoroughly competent staff, which he honestly believed were second to none in the City, and was afterwards carried unanimously.

On motion, the meeting then adjourned.

At a subsequent meeting of the newly elected Directors, Mr. W. T. Alexander was elected President, and Dr. E. S. Popham, Vice-President.

CHARACTER OF SECURITY.

The funds of the Company are loaned only upon first mortgages on improved city and town property, in small average amounts, and upon ample margin of value, and under a system whereby a portion of the principal is repayable yearly. EACH YEAR, CONSEQUENTLY, SEES THE BORROWER'S DEBT LESS AND THE COMPANY'S SECURITY GREATER.

THERE IS NO KNOWN SECURITY BETTER THAN FIRST MORTGAGES, UNDER THESE CIRCUMSTANCES, JUDICIOUSLY SELECTED.

It is believed, from the nature of the business done, that the system above outlined, furnishes one of the safest and most profitable before the public.

The Great West Permanent Loan Company presents a safer and better investment than the speculative stocks and bonds of many over-capitalized corporations, which sell at a high premium.

DEBENTURES

5% OUR CURRENCY DEBENTURES,
YIELD THE INVESTOR 5% PER
ANNUM, PAYABLE SEMI-ANNU-
ALLY.

These debentures are issued in amounts of \$100 and over, for terms of three years and upwards.

Interest is computed from date the money is received.

Our debentures should appeal strongly to the investing public for several reasons.

1. This Company now occupies a place in the foremost ranks of Canadian financial institutions, a glance at the figures below being ample evidence.

2. The Company does not indulge in a speculative business, but invests all its funds in gilt-edge first mortgages on revenue-producing property in Western Canada.

3. Our loans average under fifty per cent. of the value of the mortgaged property, and which is, in every case, covered by ample insurance.

Every mortgage contains a clause compelling the borrower to repay, in addition to his interest, a certain definite amount of principal each year. This system of loaning, carried on in a country where land values are constantly on the increase, is regarded as the safest and one of the most profitable fields for investment of a Company's funds.

The splendid record of this Company during the last seven years, is evidence of the fact, that the Directors and management have pursued an energetic and cautious policy in conducting the affairs of the Company.

Subscribed Capital over - \$2,350,000
Paid-Up Capital and Reserve nearly \$2,000,000

Additional information furnished on written request or on personal call at any of the Company's Offices.

DEPOSITS

4% INTEREST AT THE RATE OF 4%
PER ANNUM COMPOUNDED
HALF-YEARLY, IS ALLOWED ON
SAVINGS DEPOSITS OF ONE
DOLLAR AND UPWARDS.

Accounts are subject to cheque withdrawal without notice.

Savings Accounts may be opened and deposits made by mail with perfect satisfaction and convenience to the depositor.

On short term investments, we allow interest as high as 5 per cent. per annum payable or credited to the account half-yearly.

SECURITY FOR DEPOSITORS

Subscribed Capital over - \$2,350,000

Paid-Up Capital and Reserve nearly \$2,000,000

All the funds of the Company are invested in first mortgages on improved productive real estate in the larger cities and towns of Western Canada.

The values of these properties is constantly increasing and under our system, as the loan decreases year by year, the Company's security accordingly becomes greater.

We solicit your Savings Account and feel confident that, with the courtesy we extend to all our customers and the facility with which accounts may be kept and operated upon, that you will be pleased to patronize this strong Western Company.

For further particulars, write the Company, Box 2952, Winnipeg, Man., or call at any of the Company's Branch Offices.

